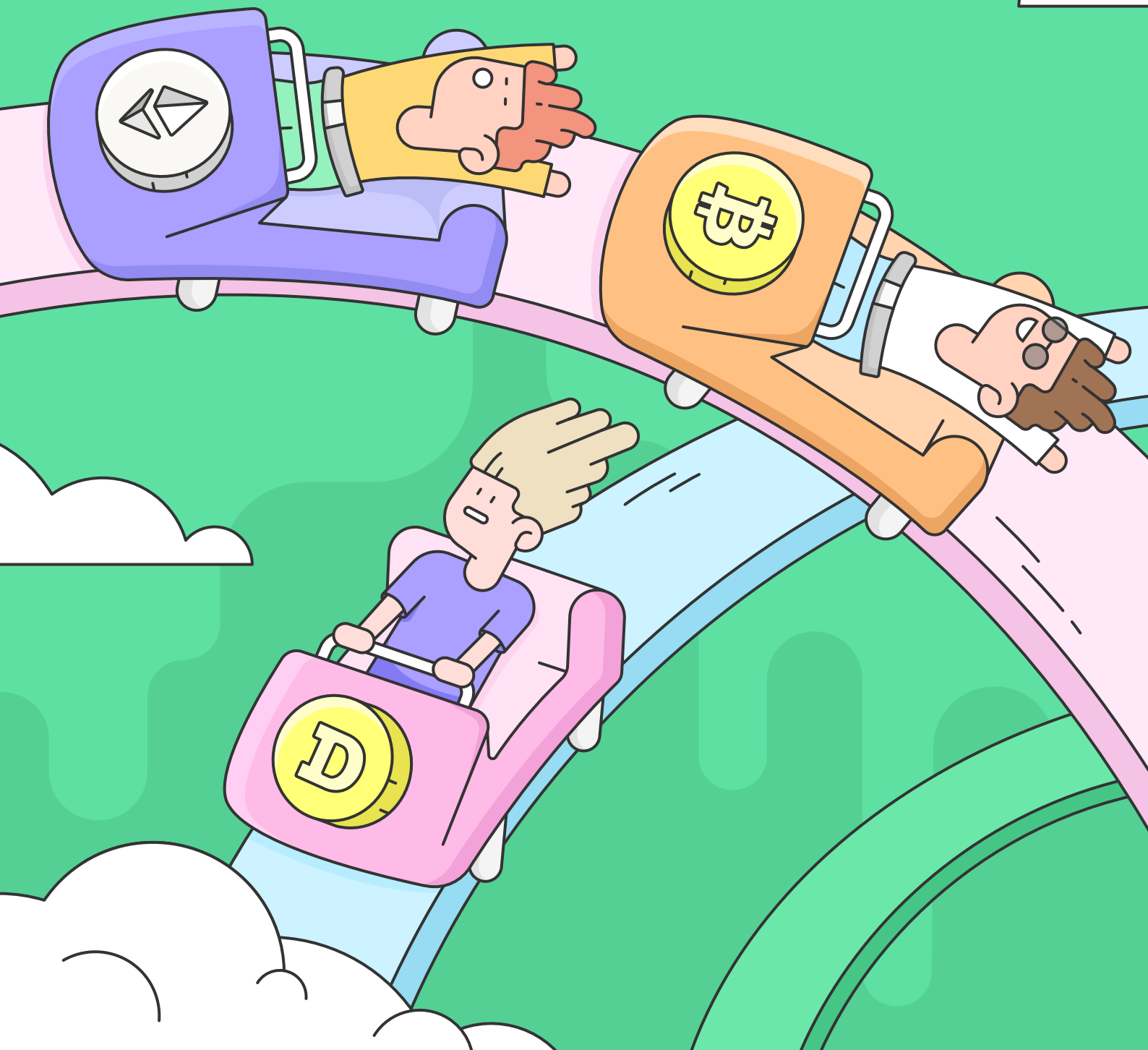



CRYPTO TRADING


FOR BEGINNERS





WHY PEOPLE ❤️ THIS E-BOOK

 Trusted by millions of traders all over the globe.

 Our students have gone from struggling to earn a dollar, to making thousands.

 Bored of guides teaching you unnecessary trading theory? We break trading down into manageable sections, applicable to the real world.

 The authors of this guide have a combined 10+ years in the cryptocurrency space

 We use real-world examples to help give your learning context. These include China's crypto ban, Elon Musk's Doge tweets, and many more. [How Can I Start Cryptocurrency Trading?](#)



Emilia



I'm so glad I found this guide! I spent hundreds on cryptocurrency "gurus" that hardly taught me anything. This book gave me a far better understanding of how to trade cryptocurrency and it was free!



John



When I first downloaded this guide didn't think it would include much useful information. After reading it I can say I was pleasantly surprised!



Isabella



Before finding this guide I was lost. I was struggling to filter through all the confusing and contradictory information available on the internet. This ebook has done an excellent job of breaking down everything you could need to be a successful trader !

LEARN CRYPTO TRADING 10X FASTER

NO
ADS



Scan with your phone
camera to download the
app



+730

Daily Mission

Just beating the estimates wasn't enough this time for Nvidia. Supply chain challenges, and reliance on the crypto-mining customer base...

+160

+50

Daily Mission

Major reversal for EUR/USD which rose sharply on reports that the ECB will end its Asset Purchase Program in the third quarter. The pair has now fallen back...

+50



16,281 reviews

DOWNLOAD

WHY TRADE CRYPTOCURRENCIES?

Start with \$100

With crypto still very much in its infancy, you don't need a lot of money to make it big! A small investment of just \$100 could be worth \$1000s by the same time next year, provided that you take the time to learn and choose the right investments. Small initial investment lowers both the risk and the barrier of entry, for the benefit of a larger potential gain than any other market.



More Volatility

If you're investing in stocks, a 5% price change can send the market into a frenzy! However, with cryptocurrencies, it's common to see a 50% price increase overnight - giving you the potential to profit big with just 1 trade! Keep in mind, the increased volatility

The Crypto Market Never Sleeps

Unlike stocks, the cryptocurrency market never closes! This means wherever you are in the world, you can earn a second income by trading in your spare time; all from the comfort of your bed! What's not to love?

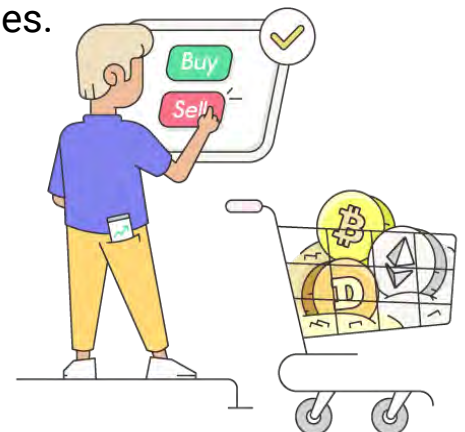


Leverage Trading

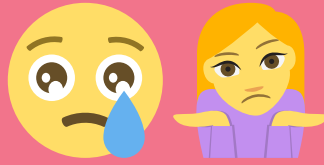
After you've got a bit of experience, you can try your hand at leveraged trading. This lets you earn up to 100x more than you usually would, meaning a trade that would've only netted you \$5, could earn you \$500. Keep in mind - risks increase because leverage also amplifies your losses.

Profit In Both Directions

You might think a coin has to rise in value to make money, well this isn't the case. Regardless of a coin's performance, you can continue earning by opening up a short position. This enables you to profit from both rising and falling prices. You're moments away from learning how to do it!



I DONT HAVE TIME TO WATCH CHARTS ALL DAY



With copy trading, you're letting someone else do the hard hours for you. Of course, in return they earn rewards for their profitable trading. So they are happy to do this. ❤️

#1 CHOOSE A TRADER

Check their performance, assets, risk score, and more. Check out our dynamic list with TOP traders [HERE](#)

#2 SET AN AMOUNT

Choose a total amount for the copy — the proportions are calculated automatically

#3 CLICK COPY

Click the “Copy” button to start automatically copying the trader’s positions.

TRY COPYTRADING

eToro is a multi-asset platform which offers both investing in stocks and cryptoassets, as well as trading CFDs.

Please note that CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage.

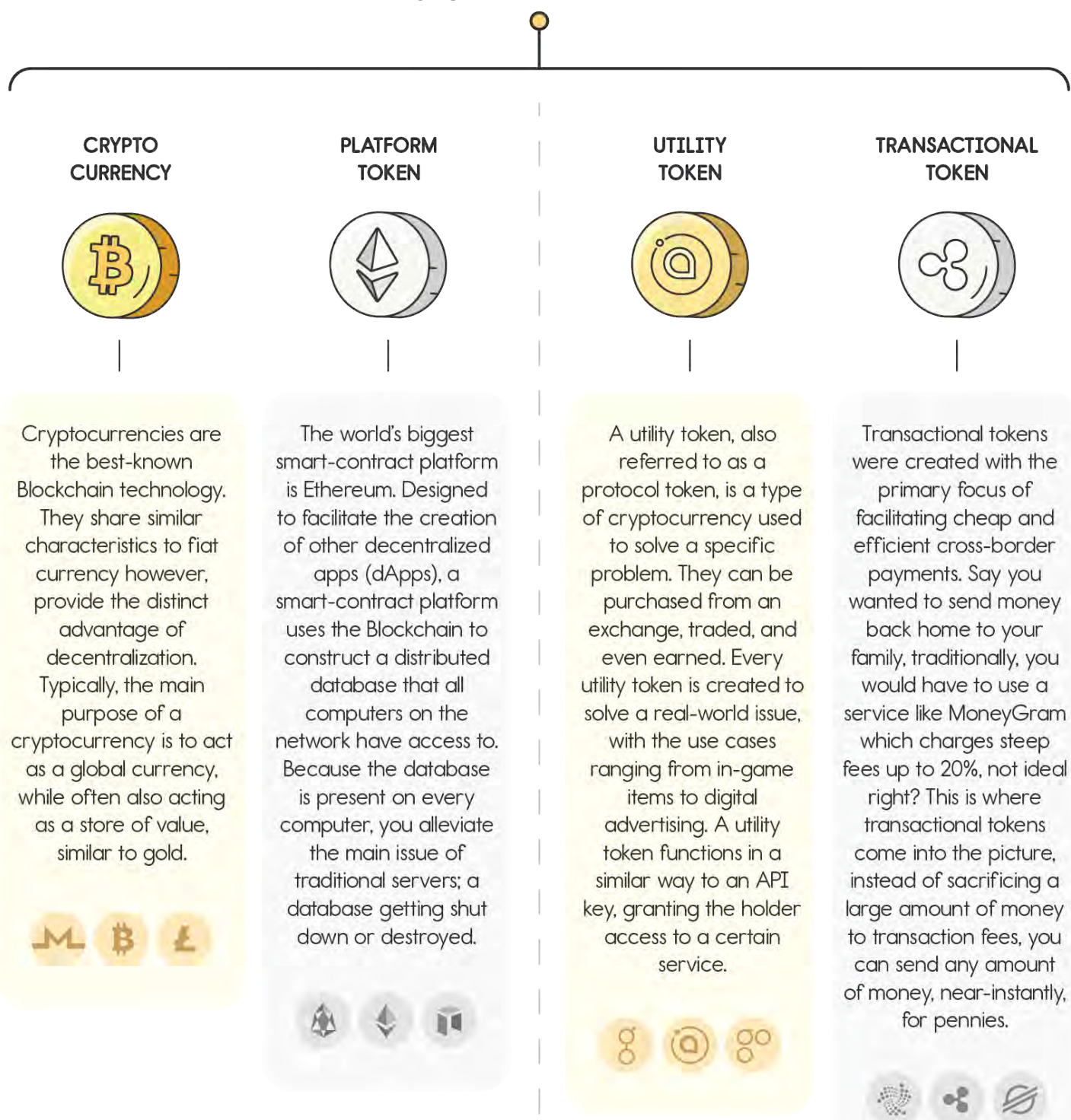
68% of retail investor accounts lose money when trading CFDs with this provider. You should consider whether you understand how CFDs work, and whether you can afford to take the high risk of losing your money.

WHAT ARE CRYPTOASSETS

Although the word cryptocurrency is often thrown around as a blanket statement to describe any token operating on the Blockchain, in reality, there are several subdivisions. Understanding the differences between these crypto-assets can help you take your trading to the next level, it opens you up to the deeper world of crypto, allowing you to earn interest on your investments, play Blockchain games, and send transactions for pennies.

Have a look at the graphic below, after reading it you'll understand the different types of crypto and how you can use them to your advantage.

Cryptoassets

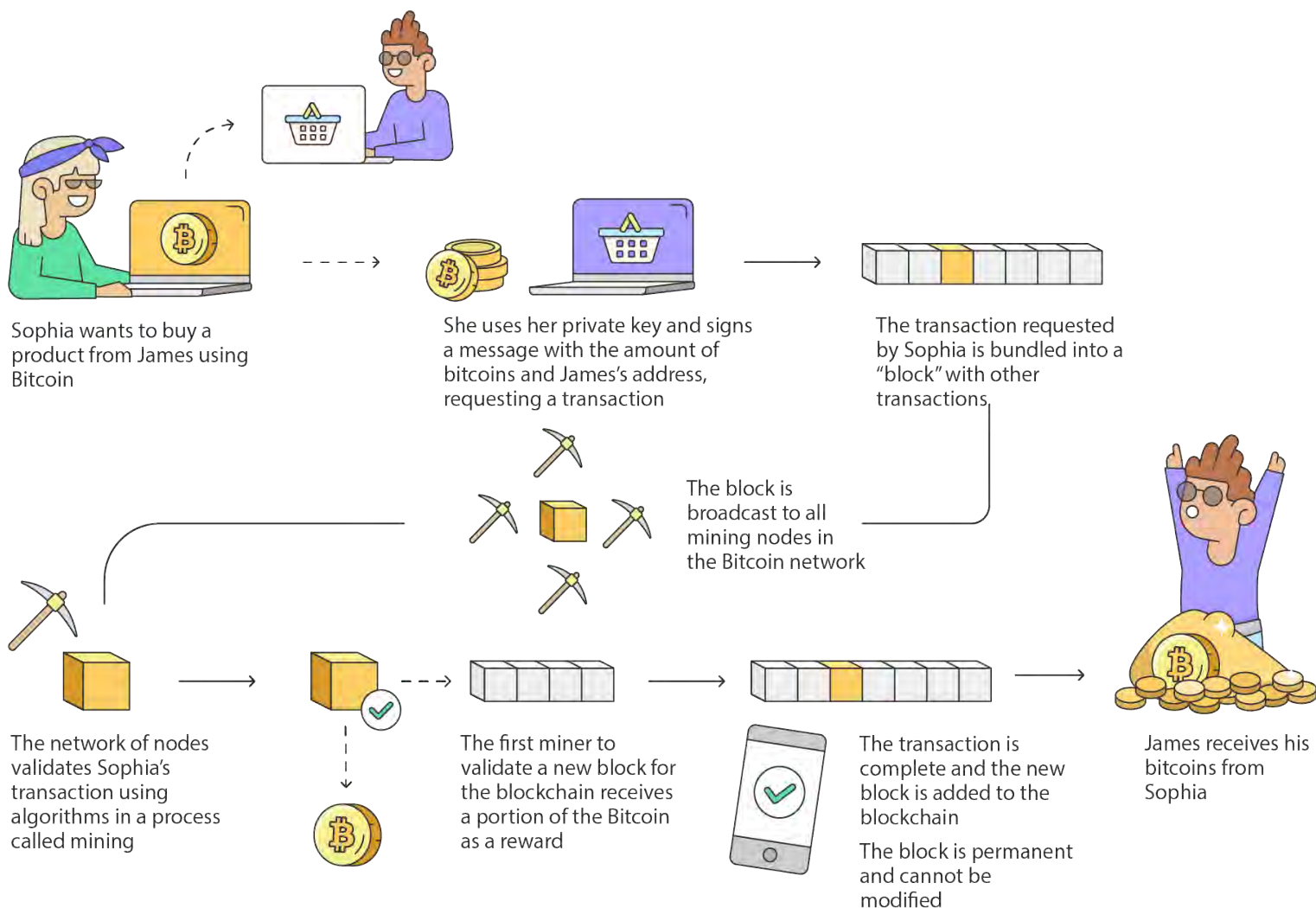


WHAT IS THE BLOCKCHAIN

On the surface Blockchain technology seems impossible to understand, with any definition typically accompanied by a load of jargon. However, if we take a step back and look at Blockchain technology in simple terms, it becomes far easier to grasp.

The Blockchain is a database that gets distributed to every computer on the network, instead of connecting to a central server. This is advantageous because it makes the Blockchain near-impossible to take down. The database contains the data from every transaction that takes place on a network, every time a new transaction occurs it gets added to the database.

These lists of transactions are separated into manageable “blocks”, which each contain a transaction timestamp and a link to the previous block. Because each block has to be validated by every computer on the network, it makes it impossible to falsify a transaction, resulting in a tamper-proof ledger containing every transaction to ever take place.



IMPROVE YOUR CRYPTO LANGUAGE



- 😱 **FUD** = Fear, Uncertainty & Doubt.
- 😭 **FOMO** = Fear Of Missing Out.
- 💪 **HODL** = Hold on For Dear life.
- 🌕 **MOONING** = Price Going Up High.
- 💪 **FIAT** = Government Issued Currency.
- 🐳 **WHALE** = Someone with A Lot Of Crypto.
- 🐂 **BULLISH** = Expecting the Price Go Up.
- 🐻 **BEARISH** = Expecting the Price Go Down.

✂️ **FORK** = When An Existing Blockchain splits into two separate blockchains.

🏢 **ICO** = Initial Coin Offering. A Type of Crowdfunding.

🚀 **ATH** = All Time High. The Highest Price That The Coin Has Reached.

💰 **ALTCOIN** = Alternative Cryptocurrencies Launched After Bitcoin.

🚗 **WHEN LAMBO?** = Used When Wondering When An Asset Will Cost Enough To Buy a Lamborghini.

👤 **PUMP & DUMP** = A Scheme For A Manipulative Price Increase Followed By A Collapse.

WHY IS BITCOIN SO VOLATILE?

Up 15% today, down 10% tomorrow. Bitcoin volatility is one of the scariest things a cryptocurrency trader can experience.

BITCOIN VOLATILITY

👉 What causes the price of Bitcoin to fluctuate? Well, a lot of it has to do with the uncertainty surrounding Bitcoin's future. As a new technology, Bitcoin is yet to prove itself, the problems it aims to solve are big and there's not a whole lot of real-world data to say definitively if Bitcoin can solve them.

👉 Because nobody can predict the future of Bitcoin, investors get easily swayed. A negative news story releases and people think Bitcoin is dead, a billionaire tweets his support and the price shoots sky-high.

👉 Should you be concerned about Bitcoin's fluctuations? Although it's true volatility can be scary, when used correctly it allows you to take your trading game to the next level.

	BTC minimum price	BTC maximum price
2010	\$ —	\$ 0.50
2011	\$ 0.30	\$ 31.90
2012	\$ 3.90	\$ 15.40
2013	\$ 13.20	\$ 1,093.40
2014	\$ 91.70	\$ 1,093.40
2015	\$ 157.30	\$ 492.80
2016	\$ 350.40	\$ 982.60
2017	\$ 739.50	\$ 19,870.60
2018	\$ 3,177.00	\$ 17,252.80
2019	\$ 3,368.20	\$ 13,929.80
2020	\$ 24,000	\$ 32,203.64
2021	\$ 28,732	\$ 65,000
2022	\$ 17,168	\$ 48,086
2023	\$ 16,521	\$ 44,408

Is the volatility of Bitcoin good or bad for trading?

While it's true Bitcoin is becoming more and more accepted as a form of currency, the market is still fiercely volatile. Of course, this isn't ideal for Bitcoin's use case as a store of value (although as you can see from the graphic above, the price is only increasing) but for traders, a bit of volatility can be the perfect storm.

Picture for a second two traders - one trades cryptocurrency and the other Forex. The person trading cryptocurrency is subject to extreme volatility but because of this doesn't need to have much capital and doesn't need to use leverage. On the other hand, because prices only change by a fraction of a penny, the person trading Forex needs to use far greater leverage or requires a huge amount of capital. While neither person is wrong, the person trading cryptocurrency has the potential to see a far greater return on investment.



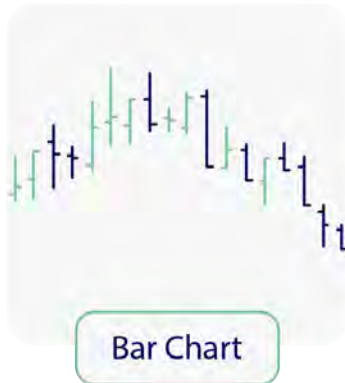
Is Bitcoin doomed to be volatile forever?

At the end of the day, cryptocurrency is still young. Until a ceiling is found volatility is par for the course, as such you should attempt to embrace volatility rather than fight against it. It's impossible to say when Bitcoin will stabilise, but until that happens we recommend taking advantage of this once-in-a-lifetime opportunity.

Rome wasn't built in a day, so why would a new global standard currency? Only time will tell where Bitcoin ends up but the longer it's actively used and the more decentralised it becomes, the more likely it is that it will find its footing. Until that happens we recommend you take advantage of this volatility and use it to accumulate wealth.

HOW TO READ CRYPTO CHARTS

Identifying trends, whether they are moving up, down or across and also knowing when they are about to reverse is really key to your Crypto trading. No matter what asset you are trading, you need to know how to follow charts.



#1 BAR CHART

A bar chart helps you to identify the prevailing trend and to time the entry and exit of your trades.

#2 LINE CHART

A line chart is the simplest and most basic type of stock chart used to analyze crypto market. A line chart shows the direction of the cryptocurrency closing price. This quickly gives the crypto-chart reader a view of the price trend.

#2 CANDLESTICK CHART

Candlestick charts are used by traders to determine possible price movement based on past patterns. Candlesticks are useful when trading as they show four price points (open, close, high, and low) throughout the period of time the trader specifies.

WHAT IS A BULL OR BEAR MARKET



A **bull market** describes the constant **rising of a crypto market**. Per definition, the market generally **increases by at least 20%**.

When you open a **BUY POSITION**, you are said to be **BULLISH**.



BULLISH CANDLE



BULLISH TREND



A **bear market** describes the constant **falling of a crypto market**. Per definition, the market generally **decreases by at least 20%**.

When you open a **SELL POSITION**, you are said to be **BEARISH**.



BEARISH CANDLE

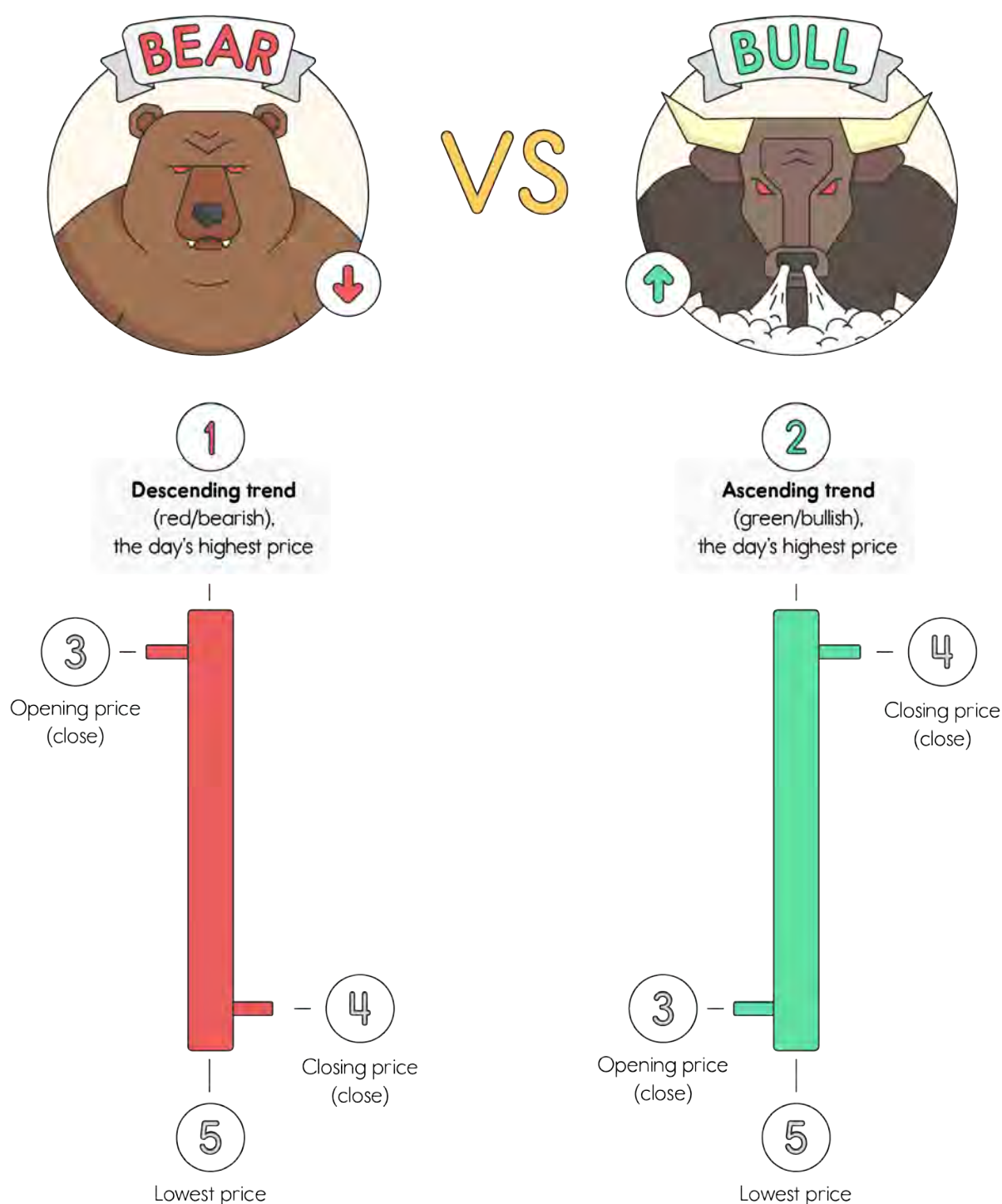


BEARISH TREND

HOW TO READ A CANDLESTICK CHART

One of the most important things you need to learn before delving deeper into the world of cryptocurrency trading is how to read a candlestick chart. When compared to a line chart or something similar, a candlestick chart provides you with a much clearer insight into how the market is performing, making it a key tool in any trader's arsenal.

If you take a look at the image below, we can see it highlights the differences between a bearish and bullish candle and shows you how to successfully interpret candlestick movements.



Best Crypto Trading platforms



Minimum deposit

TOP Feature

Our Video Review



[Etoro.com](https://www.eto.com)

Best for beginners

***\$50**

**Social
Trading**



VISIT

Assets: Forex, Stocks, Crypto, CFD, Commodities

**76% of retail investor accounts lose money when trading CFDs with this provider. You should consider whether you can afford to take the high risk of losing your money.



[Oanda.com](https://www.oanda.com)

Best for professionals

\$0

**Up to \$10k
deposit bonus**

soon

VISIT

Assets: Forex & Crypto

**76% of retail investor accounts lose money when trading CFDs with this provider. You should consider whether you can afford to take the high risk of losing your money.



[Okx.com](https://www.okx.com)

\$1

**Low trading
fees**

soon

VISIT

Assets: Crypto

* The minimum first deposit is \$50 for clients from Austria, Germany, Netherlands, Norway, Italy, United Kingdom, Ireland, Spain, Sweden, USA. Elsewhere it starts from \$200

**Thanks to the new European regulations that came into effect from August 1, 2018, European brokers are required to show the percentage of their clients that lose.

**Brokers update Losing Rate information every 3 months, to see the newest info, check our regularly updated article: <https://financeillustrated.com/trending-forex/best-forex-brokers/>

WHAT MOVES CRYPTO MARKET?

There's a lot of volatility in the cryptocurrency market, however, it's rarely without reason. Once you begin to understand what causes these wild swings, you're well on your way to becoming an expert trader! To help you better understand some of the contributing factors, we've broken the main ones below.

#1 SUPPLY AND DEMAND

Supply and demand has a huge influence on the price of pretty much everything in the modern world, cryptocurrency is no exception to this rule.



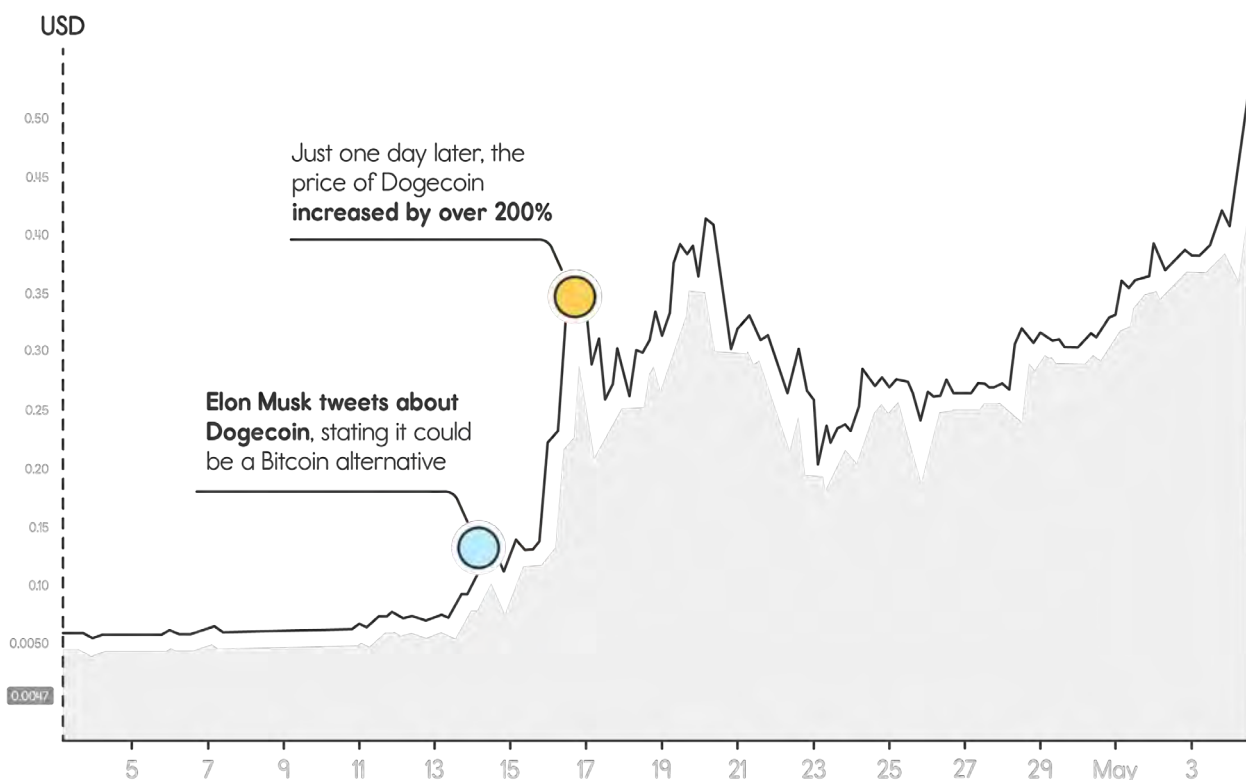
The vast majority of cryptocurrencies have a finite supply, meaning if something were to drive up demand, the price will shortly follow. It can be hard to notice an uptick in demand, but you can make it far easier by following media coverage.



Take, for example, Dogecoin, a small project that was essentially a joke, but somehow ended up making investors millions! You might be asking yourself "how's that even possible? Well, when Elon Musk tweeted about Dogecoin, showing he believed in it, investors could only come to one logical conclusion - if the richest man in the world thinks it's a good investment, I should probably invest too.



Following this, there was a huge increase in demand for Dogecoin, causing the price to rise, generating further publicity, resulting in a snowball effect.



#2 BAD PRESS



Because cryptocurrency is still in its infancy, any bad press can have a catastrophic effect on price. Unfortunately, once negative news has been released it's usually too late to take action, instead, we recommend taking a **"buy the rumor, sell the news"** approach.



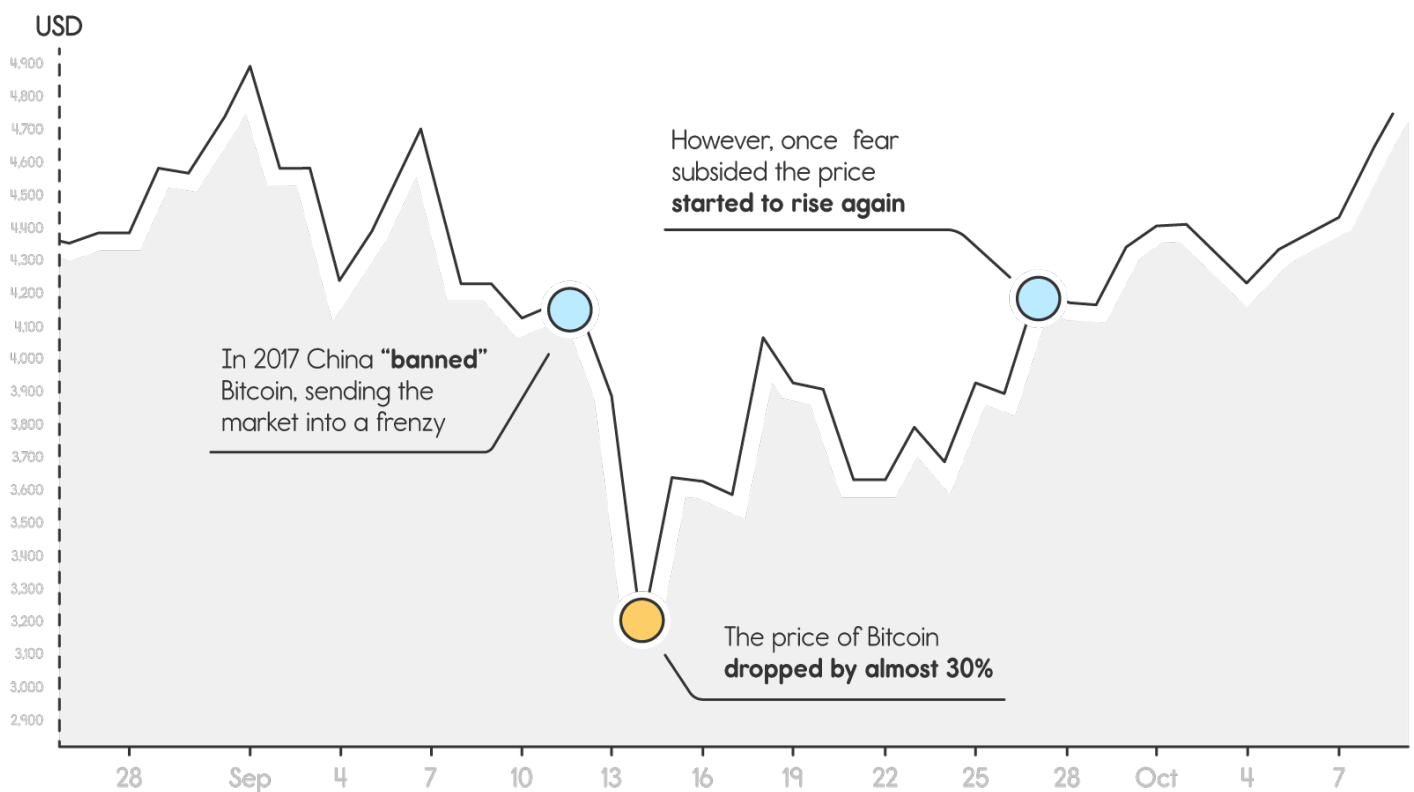
By doing this, you can capitalize on both negative and positive news, allowing you to make money no matter the condition of the market!

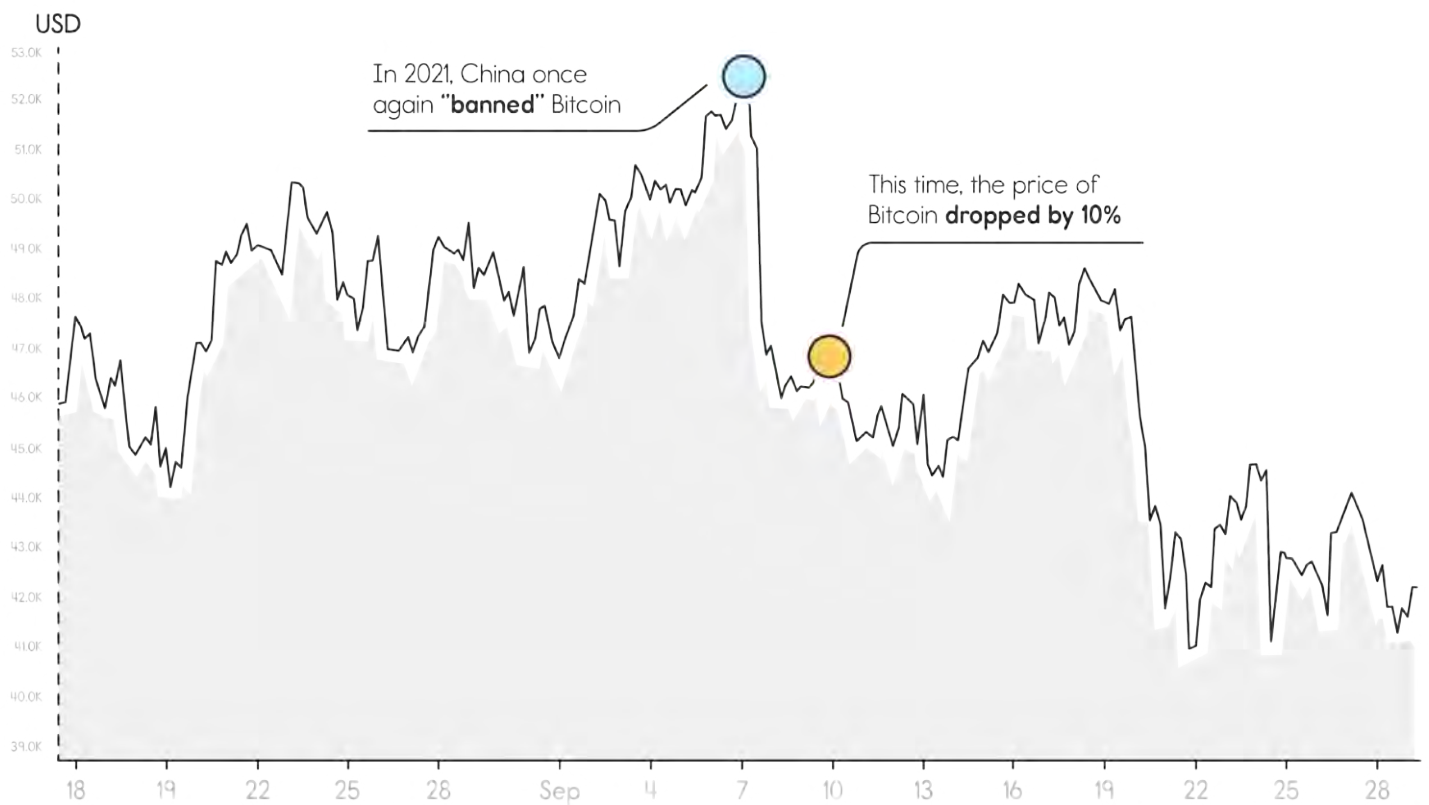


A great example of this is China banning cryptocurrency. The average person may look at this headline and start panicking, but by following this strategy you would've primed yourself to make thousands! Instead of selling out of fear, you would've heard about this news and started researching, by doing so you would see this isn't the first time China has "banned" cryptocurrency.



With this knowledge in hand, you could've strategically sold your positions and bought back in for far cheaper, generating huge profits as the price starts to stabilize.





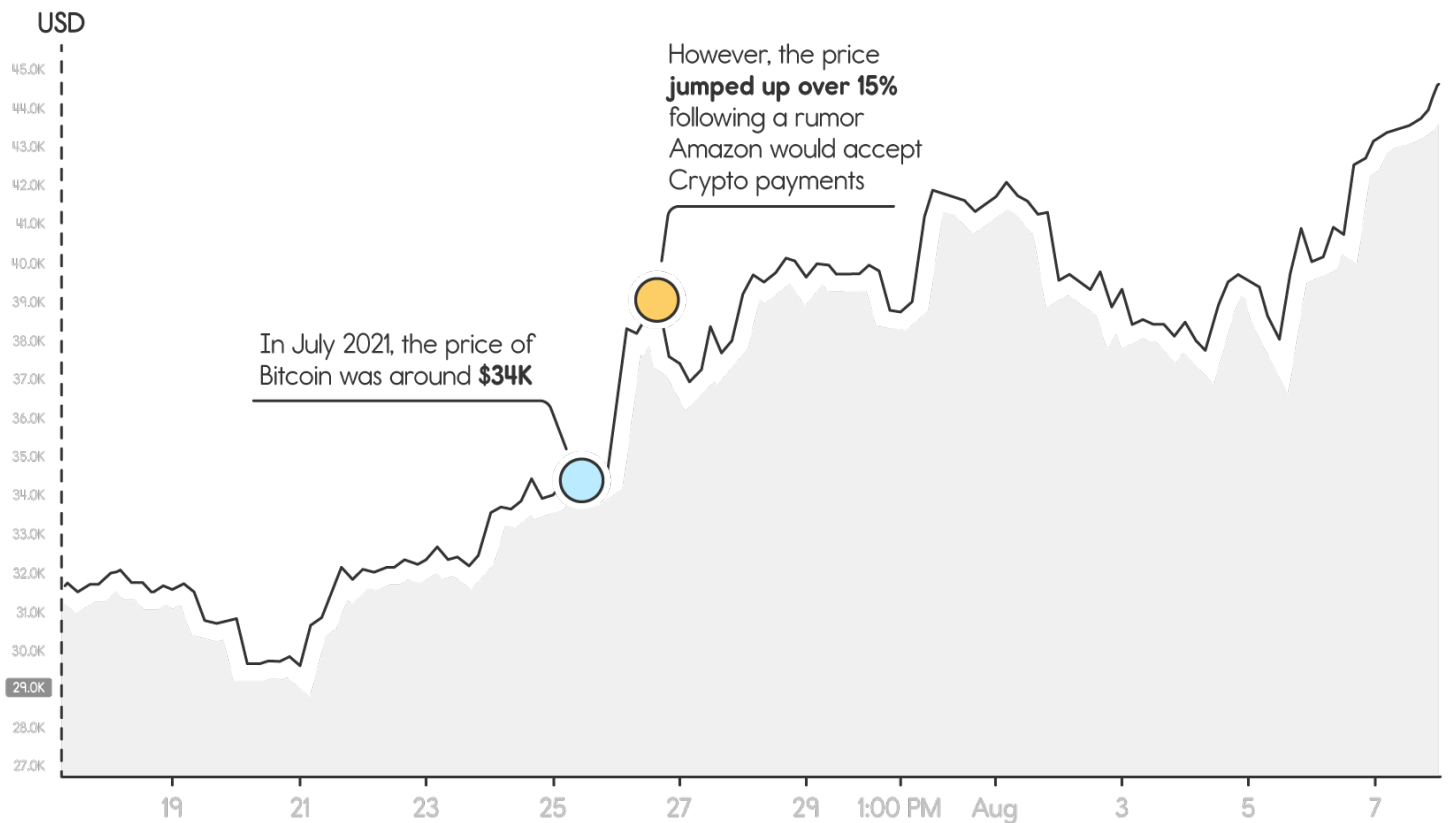
#3 INTEGRATION

🧑 As a relatively new technology, many people are looking at cryptocurrency with wide eyes, wondering what it will end up amounting to. This depends massively on something called institutional adoption, which involves large companies like Amazon integrating crypto technology into their platforms.

🚀 In a similar way to Musk and Dogecoin, this shows that a large company, with deep pockets, believes in cryptocurrency, often causing an upward trend in price.

🧑 In July earlier this year (2021), there was a rumor circulating about Amazon starting to accept crypto payments, as you could imagine, this sent social media into a frenzy. As this story began to do the rounds, it caused wild speculation about the future of Bitcoin and cryptocurrency in general, with many believing other companies, were soon to follow.

👉 Although this story was later confirmed to be false by Amazon, the price of Bitcoin shot up drastically rising from \$34,400 to over \$40,000, an increase of over 15%.

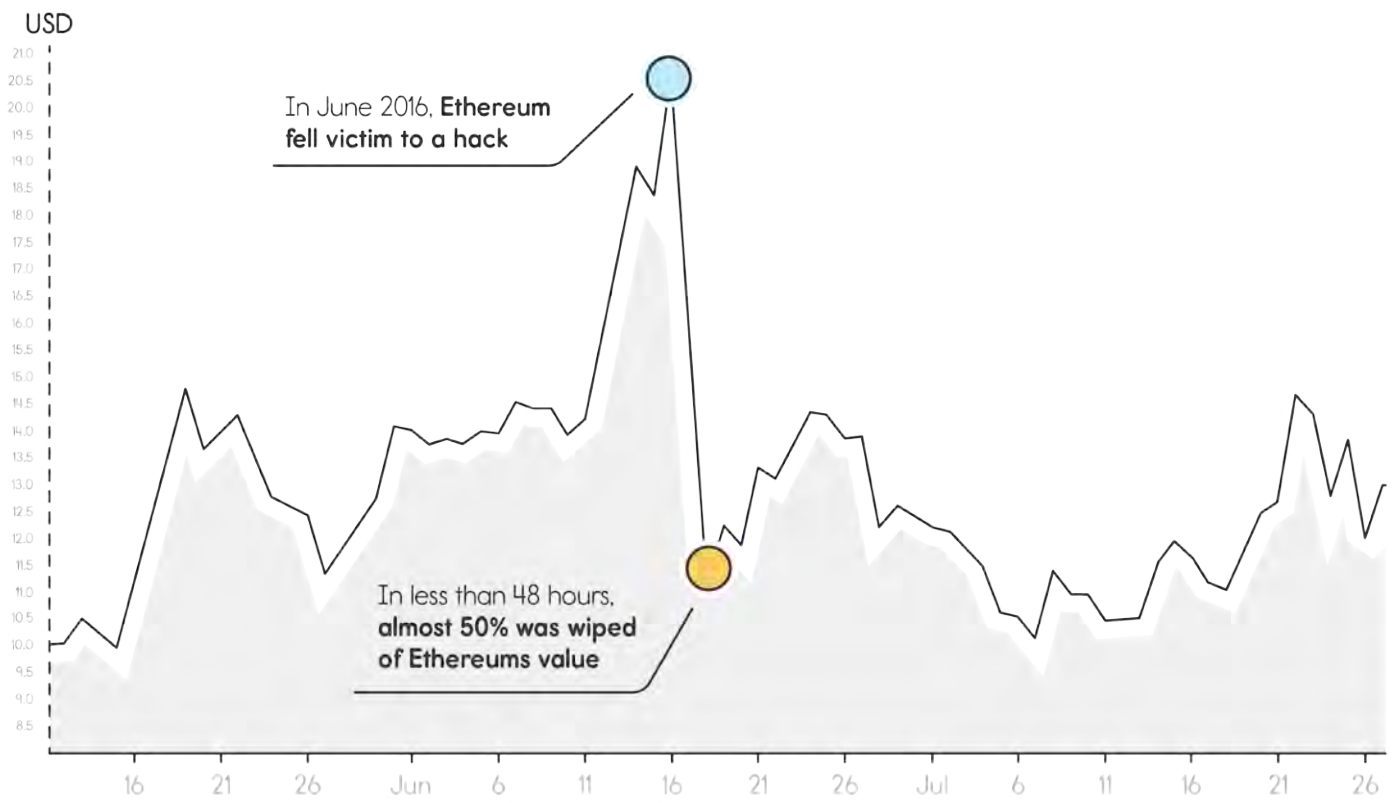


#4 KEY EVENTS

⚠️ Cryptocurrency is an emerging financial market with the unprecedented potential to put wealth back in the hands of the people. As such, any issues with regulations or security can send shockwaves throughout the entire industry - at the end of the day, nobody wants to see their hard-earned investment disappear due to something like a security issue.

💣 Because of this just the rumor of regulatory issues, or a security exploit, can be devastating for the market as a whole. In June 2016, Ethereum released a new feature and was beginning to gain traction, however, an exploit was found and an Ethereum DAO's funds (essentially a decentralized corporation) started getting drained at a rate of \$8 million an hour, all the way to the tune of \$55 million.

📉 Not a bad day for the hacker I'm sure, but for Ethereum it was devastating, many began to lose trust in the network and almost 50% was whipped off the price instantly.



CRYPTO TRADING STRATEGIES

Do you want to trade like a pro? Then you're going to need to learn about a few sure-fire trading strategies. Following a trading strategy helps to minimize risk and maximize profits! Find one that works for you and stick to it!

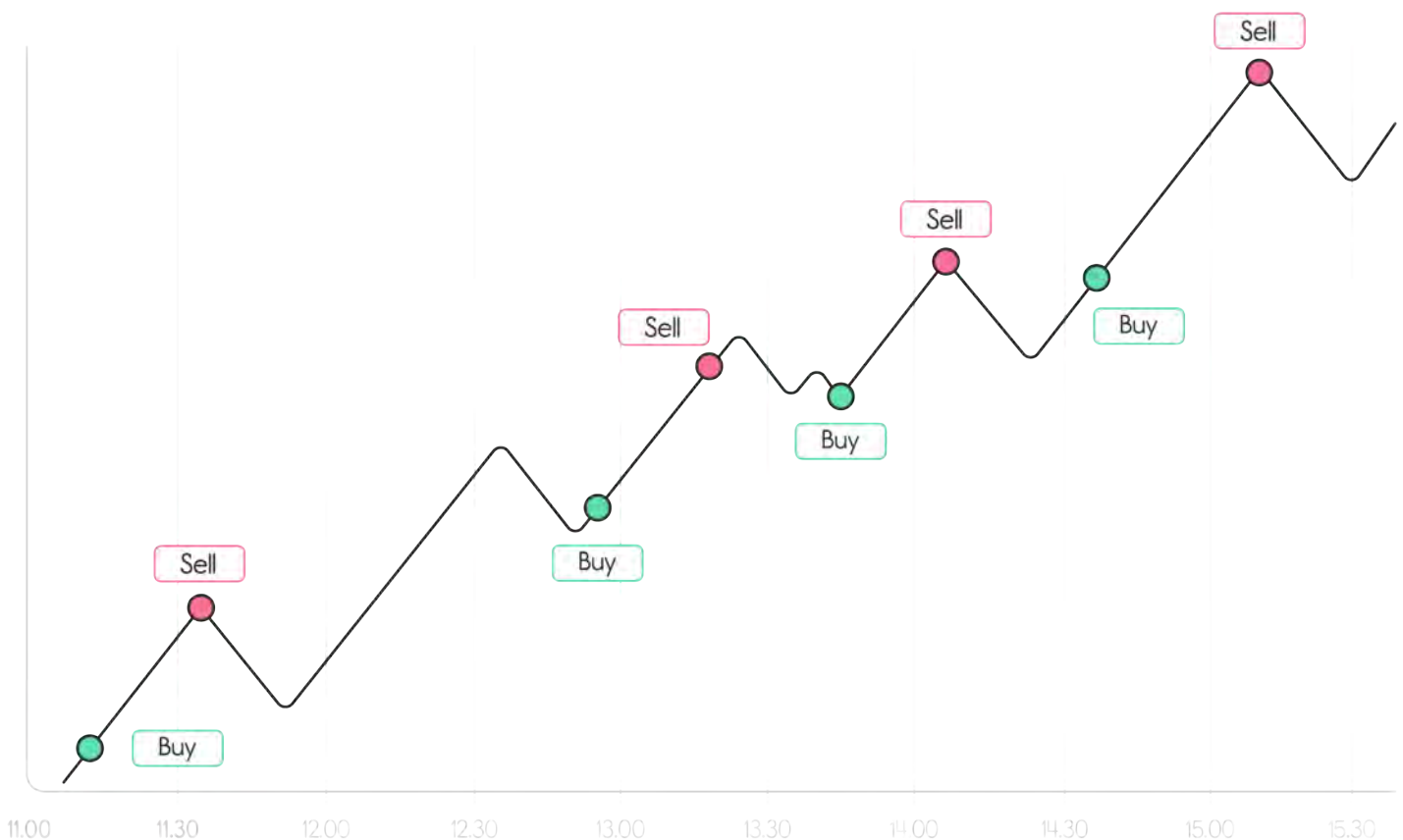
#1 DAY TRADING



Do you want to make a full-time living from cryptocurrency? Then day-trading might be the strategy for you! You can use this method to make huge profits by taking advantage of small price changes. Simply, buy a coin and sell it once it's risen or fallen by a small amount, a quick turnover time massively reduces risk. Seems simple right?



Well, as you might have guessed without a large pile of cash to invest, you wouldn't make much money if Bitcoin, for example, rose by a couple of hundred dollars. Here's where leverage comes in handy, it allows you to magnify your profits up to 100x. This means you still make hundreds if not thousands from tiny increases and decreases in price. However, it's crucial to only trade using leverage once you have experience because it also amplifies your losses.



#2 TREND TRADING

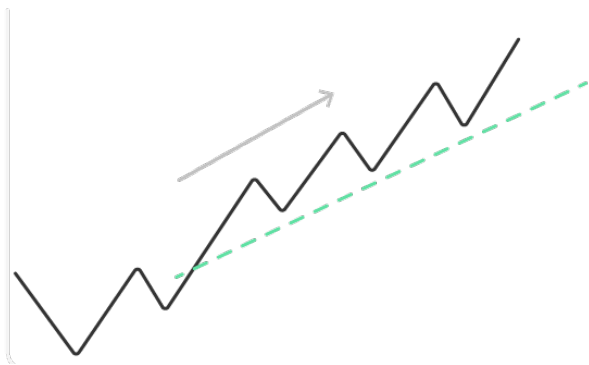


Trend trading takes advantage of swings in the market, by watching the charts you can identify upward or downward trends. You should note, it's almost impossible to buy right at the bottom or to sell at the peak, this is because before a movement in price begins, there is nothing for you to base your trade on.

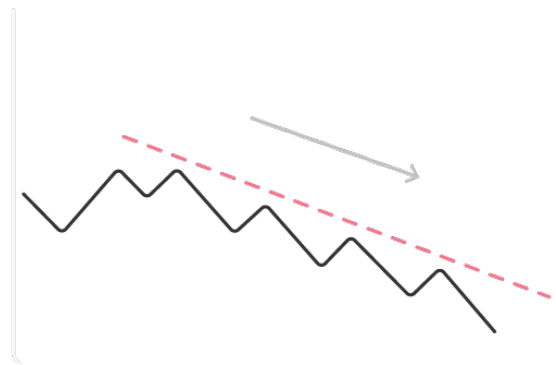


It can be rather hard to find which cryptos will start rising or falling, but not for our readers! We'll clue you into this expert strategy for identifying trends in the market. Just have a look at the top gainers and losers and try to find out if you're at the start, middle, or end of a trend. As long as the trend isn't about to end, you can make some money!

BUY LONG



SELL SHORT



#3 HEDGING STRATEGY



As the saying goes, with risk comes reward. But understandably, not everyone is comfortable risking large sums of money, this is where a strategy like hedging can be beneficial. Instead of putting all of your eggs in one basket, spread them out, this negates a lot of the risk involved with trading.



This approach does require a bit more work than the other strategies we've mentioned because you need to analyze how likely it would be for the price to rise and fall and set up trades accordingly.



For example, if you think a trade has a high chance of going your way, bet more on the positive outcome and reduce your position on the negative. If you think it's likely your trade will go south, do the opposite.



Open bitcoin
investment



Price
declines



ENTER

Enter a short trade
to offset losses

#4 HODL STRATEGY

👉 Probably the simplest strategy we've spoken about, and oftentimes the most profitable, HODLing (holding), involves buying and simply waiting for a coin to rise. While this might seem like a no-brainer, there is a bit more to it than just buying a cryptocurrency and praying.

💰 Firstly, you should always try and buy during a dip, this ensures you won't get caught out and end up having to wait months for a coin to rise back up in value. Secondly, this method isn't a get-rich-quick scheme, you need to have faith in the long-term potential of the project; make sure it has solid technology and a good team behind it.



HOW ELON MUSK MOVES CRYPTO



Elon Musk has been a big proponent of cryptocurrency for a while now. While the huge amount of publicity he generates for crypto is excellent and benefits the market as a whole, his actions have previously spelled disaster for investors. Earlier this year in May, after a month of praising cryptocurrency Musk released a tweet stating Tesla would no longer be accepting Bitcoin, this sent shockwaves through the crypto space.



The price of Bitcoin crashed sending the market into a frenzy, investors rushed to sell their crypto before prices fell anymore. This created a snowball effect, people were selling, driving prices down, which in turn, resulted in even more people selling. Ultimately, Musk tweeted that Tesla would begin accepting Bitcoin again and prices started to stabilize. Although it's easy to get caught up in the news, oftentimes it pays to stick to your guns instead of getting caught up in the opinions of others.

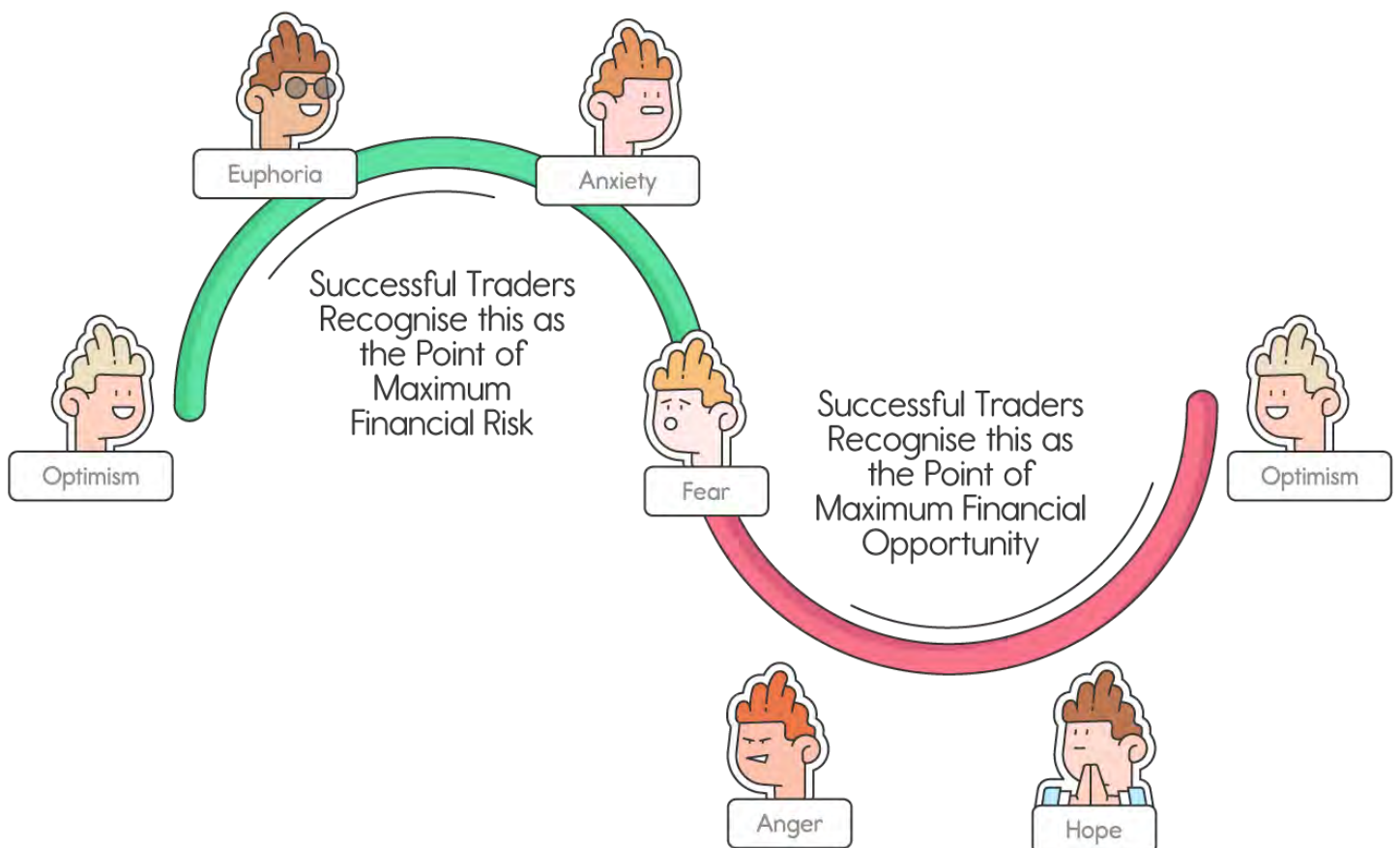


CYCLE OF CRYPTO TRADER EMOTIONS

👉 In cryptocurrency, managing your emotions well can be the difference between making thousands and losing everything. Every trader goes through a cycle of emotions, when everything is green and the market is in your favour you'll become elated and euphoric, when it begins to drop anxiety and fear start to take hold, culminating and intensifying as the price continues to fall until you reach the end and find anger and despair.

👉 Where along this cycle would you sell? You might be thinking "just as anxiety and fear take hold", after all, this would shield you from any large losses. In reality, that's already far too late, it's better to sell at peak happiness, right when your investments are hitting all-time highs.

👉 A period of extreme growth is almost always followed by a dip, which would allow you to buy back in, increasing your position size. Once you master your emotions you can trade without bias, putting you on the path to becoming a professional trader.





THANK YOU FOR READING! ❤️

**AND DON'T FORGET TO SHARE THIS
E-BOOK WITH YOUR FRIENDS AND
FAMILY!**

